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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 31, 1992

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 0-19143

Mikron Instrument Company, Inc.

New Jersey	22-1895668
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

445 West Main Street, Wyckoff, NJ 07481
(Address of principal executive offices)
(Zip Code)

(201) 891-7330
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 1313 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No _____

Subject to filing requirements since April 17, 1991.

As of January 31, 1992, there were 3,154,200 shares outstanding of the registrant's Common Stock $.003 par value.

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MIKRON INSTRUMENT COMPANY, INC.

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MIKRON INSTRUMENT COMPANY, INC.

BALANCE SHEET

ASSETS	January 31 1992	October 31, 1991
CURRENT ASSETS:		
Cash	$ 19,746	$ 70,988
Short-term certificates of deposit	155,000	200,933
Trade accounts receivable, less allowance for doubtful accounts of $17,000 in 1992 and 1991	781,840	677,896
Inventories	1,466,584	1,466,713
Prepaid expenses and other current assets	33,666	12,623
TOTAL CURRENT ASSETS	2,456,836	2,429,153
PROPERTY AND EQUIPMENT	91,660	100,360
	$ 2,548,496	$ 2,529,513

LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 291,920	$ 257,400
TOTAL CURRENT LIABILITIES	291,920	257,400
STOCKHOLDERS' EQUITY		
Common stock, $.003 par value; authorized - 15,000,000 shares; issued and outstanding - 3,154,200 shares in 1992 and 1991	10,514	10,514
Additional paid-in capital	2,203,566	2,203,566
Retained Earnings	42,496	58,033
TOTAL STOCKHOLDERS' EQUITY	2,256,576	2,272,113
	$ 2,548,496	$ 2,529,513

See notes to financial statements

MIKRON INSTRUMENT COMPANY, INC.

STATEMENT OF OPERATIONS

	Three Months Ended January 31,	
	1992	1991
NET SALES:		
Instruments	$ 1,151,868	$ 1,265,717
Repairs	35,709	35,256
	1,187,577	1,300,973
COSTS AND EXPENSES:		
Cost of goods sold	557,874	647,473
Selling, general and administrative	582,293	542,379
Research and development	65,059	67,071
Interest expense	–	2,902
Interest income	(2,112)	(353)
	1,203,114	1,259,472
NET EARNINGS (LOSS)	$ (15,537)	$ 41,501
NET EARNINGS (LOSS) PER SHARE	$ –	$ 0.01
NET EARNINGS (LOSS) PER SHARE ASSUMING FULL DILUTION	$ –	$ 0.01
NUMBER OF SHARES USED IN COMPUTATION:		
Primary	3,154,200	3,270,000
Fully diluted	3,154,200	3,270,000

See notes to financial statements

MIKRON INSTRUMENT COMPANY, INC.

STATEMENT OF CASH FLOWS

	Three Months Ended January 31,	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ (15,537)	$ 41,501
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	8,700	9,300
	(6,837)	50,801
Changes in assets and liabilities:		
(Increase) decrease in trade accounts receivable	(103,944)	31,880
(Increase) in inventories	129	(68,085)
(Increase) decrease in prepaid and other assets	(21,103)	-
Increase (decrease) in accounts payable and accrued expenses	34,520	(5,849)
NET CASH USED BY OPERATING ACTIVITIES	(97,235)	8,747
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	0	(2,346)
NET CASH USED BY INVESTING ACTIVITIES	0	(2,346)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(97,235)	6,401
CASH AND CASH EQUIVALENTS AT BEGINING OF YEAR	271,981	23,032
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 174,746	$ 29,433

See notes to financial statements

MIKRON INSTRUMENT COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1992

(Unaudited)

1. BASIS OF PRESENTATION

The accompanying financial statements reflect all adjustments which, in the opinion of management, are necessary for a fair presentation of the financial position and the results of operations for the interim periods presented.

2. EARNINGS (LOSS) PER SHARE

Per share information is computed based on the weighted average number of shares outstanding during the period.

ITEM 1. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read in conjunction with the financial statements and notes thereto appearing elsewhere herein.

a. Results of Operations

Net sales for the quarter ended January 31, 1992 were $1,187,577 as compared to net sales of $1,300,973 for the three months ended January 31, 1991. The decrease is attributable to the general decrease in the demand for all of the Company's products. The cost of sales as a percentage of net sales for the 1992 period was 47% as compared to 49% for the comparable 1990 period.

Selling, general and administrative expenses for the quarter ended January 31, 1992 were $582,000 as compared to $542,000 for the same period in 1991. The increase is due to higher expenses, principally advertising, salaries associated with the Company's increasing effort to expand its sales market and legal fees.

b. Liquidity and Capital Resources

The Company's working capital decreased from $2,172,000 at October 31, 1991 to $2,165,000 at January 31, 1992. The decrease is attributable to the loss for the quarter.

The Company has no commitments for the use of capital resources. At January 31, 1992, the Company's capital resources and its sources of liquidity were a $150,000 unused line of credit and a $155,000 certificate of deposit.

Management does not believe that a return of inflation will have a material adverse effect on the Company's operations because it believes that the Company will be able to increase its selling prices to reflect most increases in its costs.

PART II - OTHER INFORMATION

Item 1 - LEGAL PROCEEDINGS - NONE

Item 2 - CHANGES IN SECURITIES - NONE

Item 3 - DEFAULTS UPON SENIOR SECURITIES - NONE

Item 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS - NONE

Item 5 - OTHER INFORMATION - NONE

Item 6 - EXHIBITS AND REPORTS ON FORM 8-K

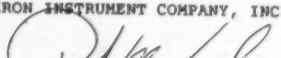
(a) Exhibit No. 11 - Statement re: computation of per share earnings incorporated by reference to statement of income filed as part of this quarterly report on Form 10-Q.

(b) No Form 8-K was filed during the quarter ended January 31, 1992.

SIGNATURES

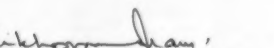
Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MIKRON INSTRUMENT COMPANY, INC.



Donald S. Michael, President, as Registrant's duly authorized officer.

Jacqueline P. Michael, Chief Financial and Accounting Officer



Keikhosrow Irani, Vice President